



HO BEE INVESTMENT LTD

For Immediate Release

PRESS RELEASE

Ho Bee Group achieved a net profit of S\$193 m for the nine months ended 30 September 2010

SINGAPORE, 11 November 2010 – Mainboard-listed property group Ho Bee Investment Ltd today announced a net profit after tax and minority interests of S\$193 million for the nine months ended 30 September 2010, 34% lower than the previous corresponding period.

The drop in attributable profits was due to the 60% decrease in Group turnover from S\$1.06 billion to S\$426.9 million, as a result of the exceptionally high revenue recognition from development properties in the same period last year.

Earnings per share for the nine months period was at 26.2 cents while total shareholders' fund as at 30 September 2010 amounted to S\$1.37 billion, representing a net asset value of S\$1.86 per share. Net gearing increased to 0.37 times from 0.28 times as at the end of the last quarter.

For the current third quarter, profit attributable to shareholders decreased 61% from S\$99.3 million in the previous year to S\$38.8 million, yielding 5.3 cents per share. Group turnover was 53% lower, from S\$209.2 million to S\$98.9 million, as a result of the higher revenue recognition from development properties in the same quarter last year.

Property Development

Revenue from property development for the third quarter of 2010 amounted to S\$90.2 million, 55% lower than the corresponding period last year. For the nine-month period, revenue decreased 61% to S\$402.6 million compared to S\$1.04 billion in the preceding year. This was due mainly to the higher revenue recognition last year with the completion of three residential projects, The Coast and Paradise Island in Sentosa Cove and Orange Grove Residences.

Property Investment

The Group's revenue from property investment for the third quarter and first nine months of 2010 rose 24% and 30% to S\$6.8 million and S\$19.3 million respectively compared to the same period last year. This was attributed to the rental generated from three industrial buildings which were reclassified from development properties to investment properties since the previous quarter and the increase in rental income from the Group's other industrial spaces.

Business Outlook

As a result of the recent measures introduced by the government to cool the residential property market, both the price increase and demand for private residential properties for the 3rd quarter of 2010 has slackened as compared to the previous quarter.

Notwithstanding the expected slowdown in the property market, Mr.Chua Thian Poh, Chairman & CEO of Ho Bee Group is confident that the Group's results for the year will remain positive.

As announced in the previous quarter, the Group's acquisition of the commercial site at One-North, adjacent to Buona Vista MRT station will generate 1.2 million sq ft of Grade A office space. The total investment is estimated to be about S\$1 billion. The project is expected to be completed by the end of 2013. "I am very excited about this new landmark development in the light of the strengthening office market", said Mr Chua.

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About Ho Bee Investment Ltd

Ho Bee Investment Ltd is listed on the mainboard of the Singapore Exchange since 1999. The real estate development and investment company has a portfolio that covers many quality residential, commercial and high-tech industrial projects since its establishment in 1987.

It is the leading developer of luxury homes in the exclusive residential enclave of Sentosa Cove. Its treasury of residences in Sentosa Cove includes condominiums like The Berth, The Coast, Turquoise and Seascape and bungalow developments on Coral and Paradise Islands.

Some of the properties that are currently under development by Ho Bee include:

- The Orange Grove, a 72-unit condominium in Orange Grove Road;
- Trilight, a 205-unit condominium in Newton Road;
- Parvis, a 248-unit condominium in Holland Hill (50:50 joint venture with MCL Land);
- Seascape, a 151-unit condominium in Sentosa Cove (50:50 joint venture with IOI Land); and
- Pinnacle Collection, a 302-unit condominium in Sentosa Cove (35:65 joint venture with IOI Land).

Headquartered in Singapore, Ho Bee has also diversified its real estate business overseas with a focus in the major cities of London, Shanghai and Tangshan.

More information about the company can be found on the company's website at www.hobee.com.

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